#### VIRGINIA GAS AND OIL BOARD

Order recorded under:

#### CODE OF VIRGINIA § 45.1-361.26

#### VIRGINIA:

#### BEFORE THE GAS AND OIL BOARD

**APPLICANTS:** 

CNX Gas Company LLC on behalf of Hurt McGuire Land Trust and certain heirs, six in number, of Thomas Stilwell Heirs in a portion of Tract 1b.

DOCKET NO.

98-0421-0648-03

RELIEF SOUGHT:

Issuance:

A Supplemental Order for Disbursement of Escrowed Funds

Action: Amending Prior Orders Affecting Drilling CBM U-36,

A portion of Tract 1b

(Referenced herein as "the Subject Drilling Unit")

Location:

Buchanan County, Virginia

#### **Action Details:**

- (1) To provide a calculation of funds, Unit Operator has deposited into the Escrow Account for Drilling Unit <u>U-36</u> by Tract Subaccounts;
- (2) To provide each applicant, in simple terms, a complete month over month Royalty Accounting of unit production, costs, taxes and proceeds, depicting variables used in the calculation of royalty payments to the unit escrow account.
- (3) To disburse unit funds to the Applicants, in accordance with their Unit Ownership Interests relative to those funds deposited by the Unit Operator into Subject Drilling Unit's Escrow Subaccount for VGOB Tract(s) identified in Table 1.

### REPORT OF THE BOARD

#### FINDINGS AND ORDER

- 1. <u>Hearing Date and Place</u>: This matter came on for final hearing before the Virginia Gas and Oil Board (herein "Board") at 9:00 a.m. on March 16, 2010 at the Russell County Government, Conference Center, and 139 Highland Drive in Lebanon, VA.
- 2. <u>Appearances</u>: Mark A. Swartz, Esq. SWARTS Law Offices PLLC appeared for the Unit Operator; and Sharon M.B. Pigeon, Assistant Attorney General, was present to advise the Board.
- 3. **Jurisdiction and Notice:** Pursuant to Va. Code §§ 45.1-361.1 et seq., and in particular Va. Code §§ 45.1-361.21 and 45.1-361.22, the Board finds that it has jurisdiction over the establishment and maintenance of an escrow account, with tract sub accounts, for each of the coalbed methane gas drilling units established by the Board through its field rules that are subject to a Board pooling order. Further, the Unit Operator is required to deposit, as applicable, those funds specified in Va. Code § 45.1-361.21.D., 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4 into the applicable escrow tract sub accounts. The Board finds that: (1) while it does not have jurisdiction to resolve conflicting claims to the ownership of the Coalbed Methane Gas produced by the Unit Operator from wells located on Subject Drilling Unit, and (2) while it does not have jurisdiction to interpret agreements by and between the Gas owners/claimants and/or the Unit Operators or to abridge or contravene the provisions of such agreements, (3) pursuant to Va. Code § 45.1-361.22.A.5, the Board does have jurisdiction and authority to disburse funds from the Escrow Account provided the Board has been provided with a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between the conflicting claimants or an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein.

#### 4. Prior Proceedings:

- 4.1. (a) On Aprilr 21, 1998 the Board executed its order pooling interests in the Subject Drilling Unit for the production of occluded natural gas produced from coalbeds and rock strata associated therewith (herein "Gas") in accordance with the provisions of Va. Code SS 45.1-361.21 and 45.1-361.22 (herein "Pooling Order"). The Pooling Order was filed with the Clerk of the Circuit Court of Buchanan County on November 17, 1999, Deed Book 477, and Pages 619 to 637, Instrument Number 980001479. The Board executed its Supplemental Order Regarding Elections that was filed with the Clerk of the Circuit Court of Buchanan County on November 17, 1999, Deed Book 498, Pages 578 to 587 Instrument Number 990002912.
  - (b) On May 16, 2006, the Board heard and approved a petition for Disbursementin the Subject Drilling Unit (U-36) VGOB 98-0421-0648-01 for a portion of Tract 1b. The Disbursement Order was from CNX Gas Company on behalf of Hurt McGuire Land Trust and certain heirs, twenty four in number, of the Thomas Stilwell heirs. The Disbursement Order filed with the Clerk of the Circuit Court of Buchanan County on September 26, 2006; Instrument 060003142.
  - (c) On January 15, 2008 the Board heard and approved a petition for Disbursementin the Subject Drilling Unit (U-36) VGOB 98-0421-0648-02 for a portion of Tract 1b, all of Tracts 1c, 1d, and 4d. The Disbursement Order was from CNX Gas Company on behalf of Hurt McGuire Land Trust and one heir of the Thomas Stilwell Heirs, Arthur Stilwell plus Joe Nipper, Donald Nipper, and Virginia N. Stilwell. The Disbursement Order filed with the Clerk of the Circuit Court of Buchanan County on September 2, 2008; Instrument 080003224.
- 4.2. To the extent claims to the Gas were in conflict, pursuant to Va. Code S 45.1-361-22 payments attributable to said conflicting claims were ordered deposited by the Unit Operator into the escrow account established by the Pooling Orders (herein "Escrow Account"). According to the Pooling Orders and testimony, the coal estate ownership interests of Hurt McGuire Land Trust; and the gas ownership interests of certain heirs of the Thomas Stilwell in a portion of Tract 1b, in the Subject Drilling Unit were in conflict and became subject to the escrow requirements of the Pooling Order.
- 4.3. The Unit Operator's Miscellaneous Petition regarding a portion of Tract 2, a copy of which is attached to and made a part hereof, states under oath that Hurt McGuire Land Trust and the Applicants have entered into an agreement with regards to a portion of Tract 2 and that by the terms of the agreements, Hurt McGuire Land Trust has entered into a split agreement regarding this tract and escrow regarding these individual conflicting claims detailed herein, is no longer required for these parties.
- 4.4. The Unit Operator gave notice to Hurt McGuire Land Trust and the Applicants that the Board would consider its disbursement authorization at its hearing on March 16, 2010 and consider whether to: (1) amend the Pooling Order to provide for the disbursement a portion of funds on deposit in the Escrow Account attributable to a portion of Tract 1b identified in the attached miscellaneous petition (2) delete the requirement that the Unit Operator place future royalties attributable to a portion of said Tract 1b relative to the interests of Applicants identified in the miscellaneous petition in the Escrow Account, and (3) continue the escrow account under this docket number because there are other parties under this order subject to continued payments in the escrow.
- 4.5. The Unit Operator filed the attached accounting for Subject Drilling Unit's Escrow Account with the Board ("Accounting").

#### 5. Findings:

5.1. Va. Code 45.1-361.22.5 provides:

The Board shall order payment of principal and accrued interests, less escrow account fees, from the escrow account to conflicting claimants within thirty days of receipt of notification of (i) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between them or (ii) an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein. The amount to be paid to the conflicting claimants shall be determined based on the percentage of ownership interest of the conflicting claimants as shown in the operator's supplemental filing made part of the pooling order that established the escrow account, the operator's records of deposits attributable to those tracts for which funds are being requested, and the records of the escrow account for the coalbed methane gas drilling unit. The interests of any cotenants who have not entered into an agreement shall remain in the escrow account.

5.2 Applicant has certified and represented to the Board that:

- (1) Hurt McGuire Land Trust and certain individuals (six in number) of the Thomas Stilwell heirship property in a portion of Tract 1b; are the owners of the coal and gas acreage estate underlying a portion of VGOB Tract 1b of the Subject Drilling Unit U-36;
- (2) Net interests attributable and to be disbursed to Applicants are shown in Table 1,

	VGOB Approved Disbursement VGOB-98-0421-0648-03 U-36	Frac Interest	Acreage Interest Disbursed	Split Agreement	Escrowed Acres Total	% of Escrowed Funds
	Table 1					
Tract	Disbursement Table					
11000	Totals				16,89653	
		1.81	A 1500	£0.00	0.075	0.4463%
	Hurt McGuire Land Trust  1b Hurt McGuire Land Trust C/o Charles Green / PO Box 1067 / Bh		0.1508 24605	50.0%	0.073	0.4403%
1b	Huft McGuile Land Trust C/o Charles Creen/10 Box 100/1 Br	deliera, vzi	24003			
Thomas	Stilwell Heirs - Oil & Gas	1.81				
1b	Linda S. Shelton / PO Box 521 / Pounding Mill, VA 24637	1/72	0.02514	50.0%	0.01257	0.0744%
1b	Jerline Davis / 118 Coronado Road / North Tazewell, VA 24630	1/72	0.02514	50.0%	0.01257	0.0744%
1b	Daniel J. Osborne / 100 Third Street, SW No D77 / Mandan, N	1/72	0.02514	50.0%	0.01257	0.0744%
1b	Lois Casey / PO Box 521 / Pounding Mill, VA 24637	1/72	0.02514	W - 9 Form n	ot yet received, d	o not disburse.
1b	Theodore Stilwell / HC66 Box 112A Whitewood, VA 24657	1/72	0.02514	50.0%		0.0744%
1b	Quentin A. Stilwell / PO Box 154 / Rhame, ND 58651	1/72	0.02514	50.0%	0.01257	0.0744%
		1.0				

#### 6. Relief Granted:

For the reasons set forth in Paragraph 4 and 5 above, and based upon the Accounting and Table 1 above, the Escrow Agent is ordered to, within 10 days of receipt of this executed order to disburse funds for the unit and applicants detailed in Table 1 above.

Exhibit E to the Pooling Order, showing owners subject to escrow, is deleted and replaced with the Exhibit E attached to this order. Further, the Supplemental Order filed in this cause is hereby modified to delete the requirement that payments attributable to the conflicting coalbed methane gas ownership interests of those applicants indicated in Table 1 be deposited by the Unit Operator into the Escrow Account, <u>and</u>, because there are other owners subject to escrow under the Supplemental Order, the Escrow Agent is directed **to continue** the Escrow Account for Subject Drilling Unit. To the extent not specifically granted herein, any other or further relief is denied.

#### 7. Conclusion:

Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 above be and hereby are granted and IT IS SO ORDERED.

#### 8. Appeals:

Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

9. **Effective Date:** This Order shall be effective on the date of its execution.

DONE AND EXECUTED this / day of \_\_\_\_\_\_\_, 2010 by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert, Chairman

DONE AND PERFORMED this 10 day of 12010 by

\_\_\_\_, 2010 by an Order of this Board.

David E. Asbury Jr., Principal Executive to the Staff

Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA )

COUNTY OF WASHINGTON

Acknowledged on this day of 2010, personally before me a notary public in and for the Commonwealth of Virginia, appeared **Bradley C. Lambert**, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and **David E. Asbury Jr.**, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis

Notary Public #174394

My commission expires: \_09\_/\_30\_/\_2013\_

#### BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

**DOCKET NO: VGOB 98-0421-0648-03** 

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING A PORTION OF TRACT(S) 1B

(2) AND AUTHORIZATION FOR DIRECT

**PAYMENT OF ROYALTIES** 

**DRILLING UNIT: U36** 

**BUCHANAN COUNTY, VIRGINIA** 

**HEARING DATE: March 16, 2010** 

#### **MISCELLANEOUS PETITION**

- 1. <u>Petitioner and its counsel:</u> Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, Bluefield, West Virginia 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, **SWARTZ LAW OFFICES, PLLC.**, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.
- 2. Relief sought: (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to a portion of Tract(s) 1B as depicted upon the annexed Exhibit A; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Hurt McGuire Land Trust and Thomas Stilwell Heirs including Linda S. Shelton, Jerline Davis, Daniel J. Osborne, Lois Casey, Theodore Stilwell, and Quentin Stilwell
- 3. <u>Legal Authority</u>: Va. Code Ann. § 45.1-361.1 <u>et seq.</u>, 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.
  - 4. **Type of well(s):** Coalbed methane.
- 5. Factual basis for relief requested: Hurt McGuire Land Trust and Thomas Stilwell Heirs including Linda S. Shelton, Jerline Davis, Daniel J. Osborne, Lois Casey, Theodore Stilwell, and Quentin Stilwell have entered into royalty split agreement(s). Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Exhibit A, further, specifies how said royalties are to be divided and paid.
- 6. <u>Attestation:</u> The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

**CNX GAS COMPANY LLC** 

BY ITS PROFESSIONAL MANAGER

CNX GAS COMPANY LLC, PETITIONER

By:

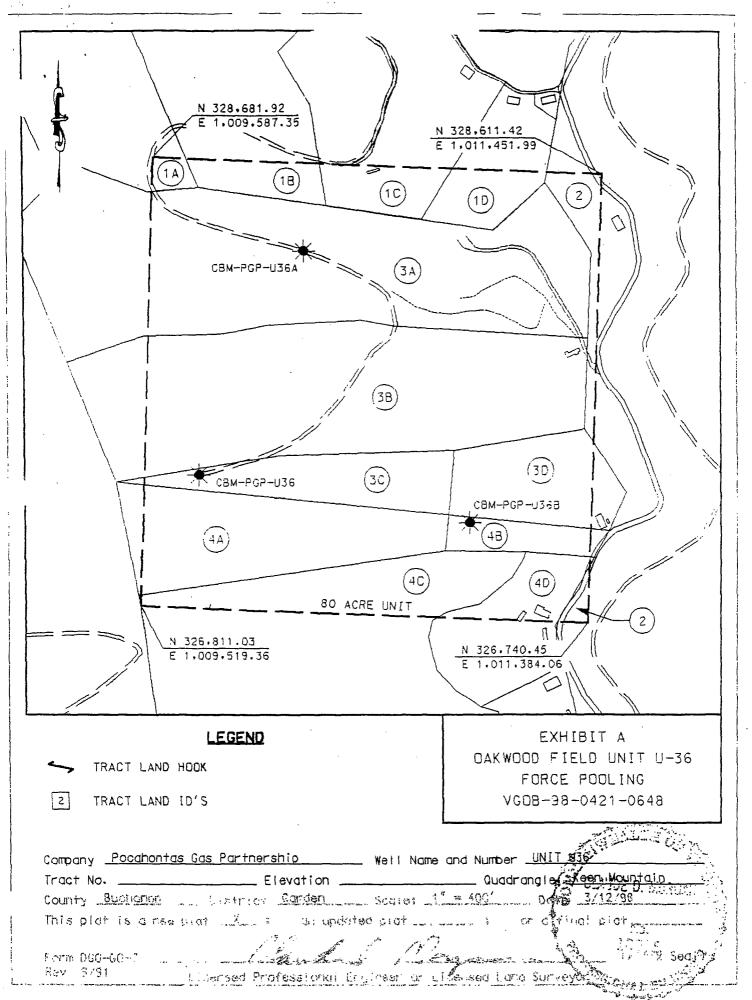
Anita D, Duty

Pooling Supervisor

CNX Land Resources, Inc.

2481 John Nash Blvd.

Bluefield, West Virginia 24701



## **POCAHONTAS GAS PARTNERSHIP**

### **UNIT U-36**

#### Tract Identification

	1	
1A.	Alpha Stickley, et al - Co Coal Lessees Island Creek Coal Com Jewell Smokeless Coal Permac, Inc. Pocahontas Gas Partne Joel L. Absher - Surface 0.50 acres	pany Corporation ership - CBM Lessee
1B.		- Below drainage coal Leased Above drainage coal Leased ership - CBM Lessee
1C.		- Below drainage coal Leased Above drainage coal Leased ership - CBM Lessee
1D.		- Below drainage coal Leased Above drainage coal Leased ership - CBM Lessee
2.	United Coal Company -	- Below drainage coal Leased - Above drainage coal Leased ership - Oil & Gas Lessee
3.	United Coal Company -	- Below drainage coal Leased - Above drainage coal Leased ership - Oil & Gas Lessee
3A. & 3B. 3C. 3D.	Benny Darrell Davis - S Jewell Smokeless Coal Samuel Glenn Sproles	Corp Surface

#### **POCAHONTAS GAS PARTNERSHIP**

#### **UNIT U-36**

#### Tract Identification

McGuire & Hurt He	eirs - Coal
Consolidation Coa	il Co Below drainage coal Leased
United Coal Comp	pany - Above drainage coal Leased
Pocahontas Gas F	Partnership - CBM Lessee
Jewell Smokeless	Coal Corp Surface, Oil & Gas
8.82 acres	11.0250%
	United Coal Comp Pocahontas Gas F Jewell Smokeless

4B. McGuire & Hurt Heirs - Coal
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - CBM Lessee
Samuel Glenn Sproles - Surface, Oil & Gas
1.75 acres 2.1875%

4C. McGuire & Hurt Heirs - Coal
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - CBM Lessee
Wilderness Tabernacle - Surface, Oil & Gas
6.05 acres
7.5625%

4D. McGuire & Hurt Heirs - Coal
Consolidation Coal Co. - Below drainage coal Leased
United Coal Company - Above drainage coal Leased
Pocahontas Gas Partnership - CBM Lessee
Paul Stillwell - Surface, Oil & Gas
2.13 acres
2.6625%

#### Exhibit E Unit U-36

#### Docket # VGOB 98-0421-0648-03

#### List of Conflicting Owners/Claimants that require escrow

		Acres in Unit	Percent of Unit	Division of Ir 5-Right 15.69343%	iterest in 6-Right 10.34483%
Tract #1B, 1.81 a	ncres				
COAL OV	VNERSHIP				
c/c P.0	ort McGuire o Charles Green O. Box 1067 uefield, VA 24605	1.81 acres	2.26250%	0.3551%	0.2341%
OIL & G	AS OWNERSHIP				
	omas Stilwell Heirs, Devisees, ccessors or Assigns	1.81 acres	2.26250%	0.355064%	0.234052%
549	lvia A. Shelton 9 Jacks Creek Road ven, VA 24639	0.0251 acres 1/72 of 1.81 acres	0.03142%	0.004931%	0.003251%
	ra Arnold Heirs, Devisees, ccessors or Assigns	0.0754 acres 1/24 of 1.81 acres	0.09427%	0.014794%	0.009752%
(o.	1) James H. Arnold, widower P. O. Box 626 Raven, VA 24637	0.0754 acres 1/24 of 10.26 acres	0.09427%	0.014794%	0.009752%
`´P.(	rtis Stilwell D. Box 2216 dar Bluff, VA 24609-2216	0.0251 acres 1/72 of 1.81 acres	0.03142%	0.004931%	0.003251%
Tract #4A, 8.82 a	acres				
COAL OV	<u>VNERSHIP</u>				
c/o P.0	ort McGuire Charles Green D. Box 1067 uefield, VA 24605	8.82 acres	11.02500%	1.73020%	1.14052%
OIL & G	AS OWNERSHIP				
P.	well Smokeless Coal Corp O. Box 70 nsant, VA 24656	8.82 acres	11.02500%	1.73020%	1.14052%
Tract #4B, 1.75 a	acres				
COAL OV	VNERSHIP				•
c/c P.0	ort McGuire Charles Green D. Box 1067 Juefield, VA 24605	1.75 acres	2.18750%	0.34329%	0.22629%



#### Exhibit E Unit U-36

#### Docket # VGOB 98-0421-0648-03

#### List of Conflicting Owners/Claimants that require escrow

				Division of In	terest in
		Acres in Unit	Percent of Unit	5-Right 15.69343%	6-Right 10.34483%
OIL 8	GAS OWNERSHIP				
(1)	Samuel Glenn Sproles Star Rt., Box 100 Raven, VA 24639	1.75 acres	2.18750%	0.34329%	0.22629%
Tract #4C, 6.	05 acres				
COAL	OWNERSHIP				
(1)	Hurt McGuire c/o Charles Green P.O. Box 1067 Bluefield, VA 24605	6.05 acres	7.56250%	1.18682%	0.78233%
OIL 8	GAS OWNERSHIP				
(1)	Trustee of Wilderness Tabernacle Star Rt., Box 113 Raven, VA 24639	6.05 acres	7.56250%	1.18682%	0.78233%

3/16/10 VGOB

## Exhibit EE Unit U-36 Docket # VGOB 98-0421-0648-03 List of Conflicting Owners/Claimants with Royalty Split Agreements

W9 still neede	ធុំជ	A to How	Percent of	Division of I	6-Right	Percent of
		Acres in Unit	Unit	15.69343%	10.34483%	Escrow
Tract #1B, 1.	81 acres					
COAL	OWNERSHIP					٠
(1)	Hurt McGuire Land Trust c/o Charles Green P. O. Box 1067 Bluefield, VA 24605	1.81 acres	2.26250%	0.35506%	0.23405%	
OIL 8	GAS OWNERSHIP					
	as Stilwell Heirs, Devisees, ssors or Assigns	1.81 acres	2.2625%	0.35506%	0.23405%	
(1)	Beulah V. Osborne c/o Vivian Osborne, POA Box 500 Oakwood, VA 24631	0.2263 acres 1/8 of 1.81 acres	0.2828%	0.04438%	0.02926%	n/a
(2)	Raleigh Stilwell Heirs, Devisees, Successors or Assigns					
(a)	Martha J. aka Juanita Stilwell P.O. Box 54 Raven, VA 24639	0.2263 acres 1/8 of 1.81 acres	0.2828%	0.04438%	0.02926%	n/a
(3)	Paul Elmer Stilwell Heirs, Devisees, Successors or Assigns					
(a)	Virginia N. Stilwell, widow 1106 Dial Road Raven, VA 24639	0.2263 acres 1/8 of 1.81 acres	0.2828%	0.04438%	0.02926%	n/a
(4)	Arthur M. Stilwell P.O. Box 314 Raven, VA 24639	0.2263 acres 1/8 of 1.81 acres	0.2828%	0.04438%	0.02926%	n/a
(5)	Exie Osborne Heirs, Devisees, Successors or Assigns					
	(a.1) Myrtle Smith Heirs, Devisees, Successors or Assigns					
	(a.1.1) Nancy Jackson P.O. Box 448 Doran, VA 24612	0.0189 acres 1/96 of 1.81 acres	0.0236%	0.00370%	0.00244%	n/a
	(a.1.2) Darlene Ward 117 Franklin Avenue Richlands, VA 24641	0.0189 acres 1/96 of 1.81 acres	0.0236%	0.00370%	0.00244%	n/a
	(a.2) Maxie Boyd Box 972 Raven, VA 24639	0.0377 acres 1/48 of 1.81 acres	0.0471%	0.00740%	0.00488%	n/a
	(a.3) Ruth Osborne Smith Box 672 Doran, VA 24612	0.0377 acres 1/48 of 1.81 acres	0.0471%	0.00740%	0.00488%	n/a
	(a.4) Judy Blankenship Box 221 Doran, VA 24612	0.0377 acres 1/48 of 1.81 acres	0.0471%	0.00740%	0.00488%	n/a
		Page 1 of 4			Rainel	2/12/2010

# Exhibit EE Unit U-36 Docket # VGOB 98-0421-0648-03 List of Conflicting Owners/Claimants with Royalty Split Agreements

W9 still needs	d	Acres in Unit	Percent of Unit	Division of la 5-Right 15.69343%	nterest in 6-Right 10.34483%	Percent of Escrow
	(a.5) John Osborne Box 6 Shortt Gap, VA 24647	0.0377 acres 1/48 of 1.81 acres	0.0471%	0.00740%	0.00488%	n/a
	(a.6) Ida Proffitt Box 6 Shortt Gap, VA 24647	0.0377 acres 1/48 of 1.81 acres	0.0471%	0.00740%	0.00488%	n/a
(6)	Flossie Stilwell Osborne Heirs, Devisees Successors or Assigns	3,				
(a)	Hubbard Osborne 3195 Osborne Mountain Rd. Raven, VA 24639	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
(b)	Linda S. Shelton P. O. Box 521 Pounding Mill, VA 24637	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	0.0744%
(c)	Jerline Davis 118 Coronado Rd. North Tazewell, VA 24630	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	0.0744%
(d)	Arlin W. Osborne	Transferred interest to d.1 p	oer deed dated Jur	ne 18, 2009		
	(d.1) Waldon Darrell Clifton PO Box 169 Richlands, VA 24641	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
(e)	Jackie D. Osborne 1995 Altizer Road Raven, VA 24639-1995	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
(f)	Daniel J. Osborne 1068 Harvest Moon Road Raven, VA 24639	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	0.0744%
(h)	Marvin J. Osborne P. O. Box 1607 Cedar Bluff, VA 24609	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
	Lois Casey 5-112 Sunny Hills Dr Cedar Bluff, VA 24609	0.0251 acres 1772 of 1-81 acres	0.0314%	0.00493%	0,00325%	0.0744%
(7)	Sylvester Stilwell Osborne Heirs, Devised Successors or Assigns	es,				
(b)	Leonard C. Stilwell P. O. Box 932 Raven, VA 24639	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
	Jay C. Stilwell Heirs, Devisees, Successors or Assigns				•	ı
	(c.1) Connie Stilwell, widow P. O. Box 723 Raven, VA 24639	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
	Wanda Hagy Box 1738 Richlands, VA 24641	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
		Page 2 of 4				2/12/2010

# Exhibit EE Unit U-36 Docket # VGOB 98-0421-0648-03 List of Conflicting Owners/Claimants with Royalty Split Agreements

			Division of Interest in		
W9 still needed	Acres in Unit	Percent of Unit	5-Rìght 15.69343%	6-Right 10.34483%	Percent of Escrow
(e) Bessie Lowe P. O. Box 47 Shortt Gap, VA 24647	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
(f) Theodore Stilwell HC66 Box 112A Whitewood, VA 24657	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	0.0744%
(8) Charlie Stilwell Osborne Heirs, Devisees, Successors or Assigns					
(a) Bernadine R. Lisburg 1418 First Avenue South Fargo, ND 58103	0.0754 acres 1/24 of 1.81 acres	0.0943%	0.01479%	0.00975%	n/a
(b) Gladys E. Pollert 1121 29 Street NW Fargo, ND 58102	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
(c) David W. Stilwell 507 E. Minnesota #107 Rapid City, SD 57701	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
(d) Thomas H. Stilwell 27 Horseshoe Bend Fargo, ND 58104	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
(e) Quentin A. Stilwell P. O. Box 154 Rhame, ND 58651	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	0.0744%
(f) Daniel J. Stilwell D77 El Rancho Trailer Ct. Mandan, ND 58554	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
(g) Bernice R. Lamb 2124 County Road 116 International Falls, MN 56649	0.0251 acres 1/72 of 1.81 acres	0.0314%	0.00493%	0.00325%	n/a
Tract #1C, 2.17 acres					
COAL OWNERSHIP					
<ul><li>(1) Hurt McGuire Land Trust</li><li>c/o Charles Green</li><li>P. O. Box 1067</li><li>Bluefield, VA 24605</li></ul>	2.17 acres	2.71250%	0.42568%	0.28060%	n/a
OIL & GAS OWNERSHIP					
(1) Joe Nipper 111 Nipper Rd. Raven, VA 24639	2.17 acres	2.71250%	0.42568%	0.28060%	n/a
Tract #1D, 2.01 acres					
COAL OWNERSHIP					
(1) Hurt McGuire Land Trust c/o Charles Green P. O. Box 1067 Bluefield, VA 24605	2.01 acres	2.51250%	0.39430%	0.25991%	n/a
	Page 3 of 4				2/12/2010

## Exhibit EE

#### Unit U-36

#### Docket # VGOB 98-0421-0648-03

#### List of Conflicting Owners/Claimants with Royalty Split Agreements

	Division of Interest in						
W9 still needed	Acres in Unit	Percent of Unit	5-Right 15.69343%	6-Right 10.34483%	Percent of Escrow		
OIL & GAS OWNERSHIP							
(1) Donald Nipper P. O. Box 909 Raven, VA 24639	2.01 acres	2.51250%	0.39430%	0.25991%	n/a		
Tract #4D, 2.13 acres							
COAL OWNERSHIP							
<ul><li>(1) Hurt McGuire Land Trust</li><li>c/o Charles Green</li><li>P. O. Box 1067</li><li>Bluefield, VA 24605</li></ul>	2.13 acres	2.66250%	0.41784%	0.27543%	n/a		
OIL & GAS OWNERSHIP							
(1) Virginia N. Stillwell 1106 Dial Road Raven, VA 24639	2.13 acres	2.66250%	0.41784%	0.27543%	n/a		

## Exhibit A Tract-by-Tract Escrow Calculation Account Balances as of 12/31/09

#### Unit U36 VGOB 98-0421-0648-03

Acres Escrowed:

16.896530

Owners	Tract#	Acres	Owner Acres	Interest	Owners' Percent of Escrow (50%)	Amount Due Owners \$210,785.33	
	PT T	n II januari				All and the second	
Hurt McGuire Land Trust - Coal		0.27653		ı	0.4463%	\$940.83	
Thomas Stilwell Heirs - O&G	1B	1.8100					
Linda S, Sheltor	1		0.02514	1/72	0.0744%	\$156.80	1
Jerline Davis	3		0.02514	1/72	0.0744%		
Daniel J. Osborne	3		0.02514	1/72	0.0744%		6.5
Lois Casey			0.02514	1/72	0.0744%	\$156.80	<del>[</del> (1)
Theodore Stilwel			0.02514	1/72	0.0744%	\$156.80	]
Quentin A. Stilwel			0.02514	1/72	0.0744%	\$156.80	

Wells contributing to the escrow account:

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U36, U36A & U36B

(1) Not disbursed because W9 Tax Form not received:

INSTRUMENT #100001391
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MAY 26: 2010 AT 12:30PM

BEVERLY S. TILLER, CLERK RECORDED BY: SLB